(d) whether Government propose to continue with the existing arrangements for LPG; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURLA GAS (SHRI T.R. BALLU): (a) The indigenous LPG production and LPG imports during the last three years is given below:—

(figs. in MMT)

	Production	Imports
1994-95	2.86	0.597
1995-96	3.25	0.683
1996-97	3.36 (prov).	1.035 (prov).

During the first three months of 1997-98 (April 1997 to June 1997) indigenous production of LPG is 0.800 MMT.

(b) The cost of production of LPG vary from refinery to refinery, depending on the level of crude throuput, pattern of production, delivered cost of crude oil, the cost of processing/refining and the return on capital employed, etc. However, based on the existing Administrative Price Mechanism principles, the estimated cost of production of LPG in the country on industry basis considering weighted average cost of crude (exclusive of excise duty, marketing margin/freight) for 1996-97 is estimated as Rs. 7922/MT for LPG (packed).

The CIF cost of imported bulk LPG during 1996-97 was $ 303.82/MT (Rs. 10,892.76/MT)

(c) The estimated subsidy on LPG Packed Domestic during 1996-97 was Rs. 1950 crores. (Rs. 70.22/cyl.)

(d) and (e) With a view to improve supply of LPG in the country and to bring down the subsidy burden, free import and parallel marketing of LPG by Parallel marketeers both for domestic & industrial was allowed by the government in 1993. At present, no decision has been taken for changing these arrangements.

Setting up of Oil Refinery at Paradeep

1963. SHRI BHAGABAN MAJHI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government propose to set up an Oil Refinery at Paradeep;

(b) if so, the details thereof, alongwith its estimated cost; and

(c) the details of the targets fixed by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI T.R. BAALU): (a) to (c) Indian Oil Corporation has submitted a Detailed Feasibility Report to set up a grass root refinery of 9 million tonnes per annum capacity in joint venture with Kuwait Petroleum Corporation, Kuwait. The refinery is proposed to be set up on the East Coast, Orissa. The estimated cost of the project is Rs. 8331 Crores. The project is expected to be mechanically completed in 46 months after its approval by the Government.

Target Fixed for LPG Production

1964. SHRI BHAGABAN MAJHI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the target fixed by Government for production of LPG by the public sector companies during the Ninth Five Year Plan period;

(b) the present number of bottling plants functioning in the country by each of the public sector companies;

(c) the number of bottling plants likely to be installed during the above plan period, State-wise; and

(d) by when these plants are likely to be functional, State-wise?